



USDA Foreign Agricultural Service

# GAIN Report

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## Argentina

### Oilseeds and Products

### Lock-Up Report

### 2007

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**Report Highlights:**

Post maintains USDA's 2007/08 forecast for soybean planted area at 17 million hectares, with production expected to reach 47.5 MMT. Post forecasts total production of sunflowerseed to reach 4.5 MMT in 2007/08 on planted area totaling 2.6 million hectares.

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Includes PSD Changes: Yes  
Includes Trade Matrix: No  
Annual Report  
Buenos Aires [AR1]  
[AR]

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## Soybeans

Soybean planting recently started for the 2007/08 campaign. Post expects that planted area will increase by more than 5 percent over the previous year's crop and maintains its forecasts for planted area at 17 million hectares for the 2007/08 crop year. Post estimates that production for the 2007/08 campaign will reach 47.5 MMT.

It is likely that more than 60 percent of the projected increase in area planted to soybeans will take place in the northern provinces of Santa Fe, Chaco, and Santiago del Estero. Those northern lands are generally less fertile than the provinces where soybeans are traditionally grown and will likely have a negative impact on overall yields. Also, much pasture land previously used for cattle production in Buenos Aires, Entre Rios, and La Pampa is being converted for soy production, which is also making room for the increase in planted area. Those converted pasture lands in the humid pampas provinces are very fertile and will likely dampen slightly the overall yield losses expected from the northern areas now coming into production. Post expects that overall yields will be slightly lower than last year's crop due to the increase in production on those marginal lands in the north.

On October 28, Christina Fernandez Kirchner was elected president of Argentina to replace her husband Nestor Kirchner. Rumors have circulated the press for weeks that export taxes will imminently increase for soybeans and many other commodities by 5 percent across the board. As of October 30, there has been no official action to increase the export tax on soybeans or soybean products.

## Sunflowerseed

Sunflower planting is currently underway and, as of October 25, reached nearly 39 percent of the Argentine Sunflower Association's projected 2.67 million hectares for 2007/08. Post, however, maintains the USDA estimate of 2.6 million hectares, mainly due to strong incentives to plant soybeans which could entice producers thinking to plant sunflowers to opt for planting soybeans before the planting season is over.

The increase in area planted to sunflower is mainly being facilitated by increases in southern Buenos Aires and the Santa Fe Province (which was 99 percent complete by October 25). According to Post contacts, a shortage of the most desirable planting seeds dampened earlier bullish forecasts, but will not limit current expectations of planted area as other varieties are available.

Post forecasts total production to reach 4.5 MMT in 2007/08, an increase of 25 percent over the Secretariat of Agriculture's estimated 3.6 MMT for the 2006/07 campaign.

## PSD Table

Country Commodity	Argentina									UOM
	Oilseed, Soybean									
	2005 Revised			2006 Estimate			(1000 HA)(1000 MT) 2007 Forecast			
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin	10/2005	10/2005	10/2006	10/2006	10/2006	10/2007	10/2007	10/2007	MM/YYYY	
Area Planted	15200	0	15200	16000	0	16000	17000	0	17000	(1000 HA)
Area Harvested	15200	0	15200	15900	0	15900	16800	0	16800	(1000 HA)
Beginning Stocks	15976	0	15976	16473	0	16473	22175	0	22175	(1000 MT)
Production	40500	0	40500	47200	0	47200	47000	0	47500	(1000 MT)
MY Imports	584	0	584	1700	0	1700	1800	0	1800	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	57060	0	57060	65373	0	65373	70975	0	71475	(1000 MT)
MY Exports	7249	0	7249	8500	0	8500	10200	0	10700	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Crush	31888	0	31888	33200	0	33200	38500	0	38500	(1000 MT)
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Cons.	1450	0	1450	1498	0	1498	1580	0	1580	(1000 MT)
Total Dom. Cons.	33338	0	33338	34698	0	34698	40080	0	40080	(1000 MT)
Ending Stocks	16473	0	16473	22175	0	22175	20695	0	20695	(1000 MT)
Total Distribution	57060	0	57060	65373	0	65373	70975	0	71475	(1000 MT)
CY Imports	712	0	712	1800	0	1800	1800	0	1800	(1000 MT)
CY Imp. from U.S.	1	0	1	0	0	0	0	0	0	(1000 MT)
CY Exports	7873	0	7873	9100	0	9100	10200	0	11300	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

## PSD Table

Country Commodity	Argentina									UOM
	Oilseed, Sunflowerseed									
	2005 Revised			2006 Estimate			(1000 HA)(1000 MT) 2007 Forecast			
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin	03/2006	03/2006	03/2007	03/2007	03/2007	03/2008	03/2008	03/2008	MM/YYYY	
Area Planted	2200	0	2200	2400	0	2400	2600	0	2600	(1000 HA)
Area Harvested	2200	0	2200	2400	0	2400	2600	0	2600	(1000 HA)
Beginning Stocks	1278	0	1278	1272	0	1272	1208	0	1208	(1000 MT)
Production	3800	0	3800	3500	0	3500	4400	0	4500	(1000 MT)
MY Imports	28	0	28	20	0	20	20	0	20	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	5106	0	5106	4792	0	4792	5628	0	5728	(1000 MT)
MY Exports	45	0	45	85	0	85	110	0	110	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Crush	3704	0	3704	3414	0	3414	4165	0	4265	(1000 MT)
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Cons.	85	0	85	85	0	85	85	0	85	(1000 MT)
Total Dom. Cons.	3789	0	3789	3499	0	3499	4250	0	4350	(1000 MT)
Ending Stocks	1272	0	1272	1208	0	1208	1268	0	1268	(1000 MT)
Total Distribution	5106	0	5106	4792	0	4792	5628	0	5728	(1000 MT)
CY Imports	28	0	28	20	0	20	20	0	20	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	29	0	29	75	0	75	105	0	105	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

## PSD Table

Country Commodity	Argentina									UOM
	Meal, Sunflowerseed									
	2005 Revised			2006 Estimate			2007 Forecast			
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin	03/2006	03/2006	03/2007	03/2007	03/2008	03/2008	03/2008	03/2008	MM/YYYY	
Crush	3704	0	3704	3414	0	3414	4165	0	4265	(1000 MT)
Extr. Rate, 999.9999	0.430616	0	0.430616	0.425015	0	0.425015	0.420168	0	0.42204	(PERCENT)
Beginning Stocks	43	0	43	121	0	121	108	0	108	(1000 MT)
Production	1595	0	1595	1451	0	1451	1750	0	1800	(1000 MT)
MY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	1638	0	1638	1572	0	1572	1858	0	1908	(1000 MT)
MY Exports	978	0	978	979	0	979	1240	0	1290	(1000 MT)
MY Exp. to EU	771	0	771	775	0	775	825	0	825	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Cons.	539	0	539	485	0	485	485	0	485	(1000 MT)
Total Dom. Cons.	539	0	539	485	0	485	485	0	485	(1000 MT)
Ending Stocks	121	0	121	108	0	108	133	0	133	(1000 MT)
Total Distribution	1638	0	1638	1572	0	1572	1858	0	1908	(1000 MT)
CY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	1003	0	1003	925	0	925	1250	0	1250	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
SME	508.9238	0	508.9238	457.937	0	457.937	457.937	0	457.937	(1000 MT)

## PSD Table

Country Commodity	Argentina									UOM
	Oil, Sunflowerseed									
	2005 Revised			2006 Estimate			2007 Forecast			
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin	03/2006	03/2006	03/2007	03/2007	03/2008	03/2008	03/2008	03/2008	MM/YYYY	
Crush	3704	0	3704	3414	0	3414	4165	0	4265	(1000 MT)
Extr. Rate, 999.9999	0.418737	0	0.418737	0.417399	0	0.417399	0.417767	0	0.417351	(PERCENT)
Beginning Stocks	111	0	111	135	0	135	83	0	83	(1000 MT)
Production	1551	0	1551	1425	0	1425	1740	0	1780	(1000 MT)
MY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	1662	0	1662	1560	0	1560	1823	0	1863	(1000 MT)
MY Exports	1220	0	1220	1170	0	1170	1430	0	1470	(1000 MT)
MY Exp. to EU	349	0	349	225	0	225	480	0	480	(1000 MT)
Industrial Dom. Cons.	2	0	2	2	0	2	2	0	2	(1000 MT)
Food Use Dom. Cons.	290	0	290	290	0	290	290	0	290	(1000 MT)
Feed Waste Dom. Cons.	15	0	15	15	0	15	15	0	15	(1000 MT)
Total Dom. Cons.	307	0	307	307	0	307	307	0	307	(1000 MT)
Ending Stocks	135	0	135	83	0	83	86	0	86	(1000 MT)
Total Distribution	1662	0	1662	1560	0	1560	1823	0	1863	(1000 MT)
CY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	1233	0	1233	1000	0	1000	1550	0	1550	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)